

Poverty Brief

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Mobilizing critical research for preventing and eradicating poverty

SOCIAL POLICY, INEQUALITY AND POVERTY IN POST-SOCIALIST SOCIETIES



Key points

- CROP is holding a workshop on Eastern Europe and the former Soviet Union.
- Inequality and social policy in EE and FSU are neglected research topics.
- The TransMONEE database no longer has the impact it used to have.
- Recent evidence indicates widening inequalities and divergence of social policy models.
- The abstracts suggest the policy issues to be discussed, and promise the foundation of a valuable CROP book.

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CROP workshop on poverty in Eastern Europe and the former Soviet Union

This poverty brief sets out plans by CROP to convene a scientific and policy-oriented workshop at the Norwegian University Centre in St Petersburg in June 2017 on the theme of *Social Policy, Inequality and Poverty in Post-Socialist Societies*. It addresses the logic behind such a workshop and outlines the issues to be discussed.

Social Policy, Inequality and Poverty in Eastern Europe: an under-researched topic

Whilst there has been considerable attention paid in recent years to poverty in the Global South, to new and emerging social policies in Latin America, Africa and Asia, and to changes in Northern and Western European Welfare States, there has been very little attention focused upon the former Soviet Union, Central and Eastern Europe and the post-Yugoslav space.

More than a quarter of a century after the fall of the Berlin Wall, the collapse of the Soviet Union and the beginning of the wars of the Yugoslav succession, we know very little about the diverse welfare trajectories of these countries, which have been subjected to fundamental economic, political and social transformations. Post-socialist transition involved the installation of new social, political and economic systems and, in many cases, new independent nation-state structures.

In the initial years of transition, considerable attention was focused upon the region in terms of how international actors were involved in shaping social policies and the impacts of these policies on welfare, wellbeing, poverty and inequality (Deacon, Stubbs and Hulse 1997). The TransMONEE database informed a 1994 report (UNICEF 1994), which stated that "The mortality and health crisis burdening most Eastern European countries since 1989 is without precedent in the European peacetime history of this century ...(and signals) a societal crisis of unexpected proportions, unknown implications and uncertain solutions", in the context of rapid change and "clearly diverging welfare trends". The 1995 UNICEF report (UNICEF 1995) identified "a severe welfare crisis affecting especially children and adolescents, an upsurge in mortality, equally shocking falls in births and increases in poverty, and falling social protection and child development programmes". Although the database continues to exist (www.transmonee.org), reports on the region are now both rarer and less widely disseminated and read.

New evidence on inequalities in income, wealth and life chances, especially the effects of the recent economic crisis, is mainly confined to the 'overdeveloped' world. Much less is known about post-communist countries in Central and Eastern Europe and the former Soviet Union. Although there is a general sense that since the economic and financial crisis, which began in 2008, social and economic inequalities within and between countries have become more pronounced and, particularly in some countries of the former Soviet Union, remittance income has declined considerably, there is still a lack of reliable data and evidence.

Some assessments about the directions being taken by social policy for parts of the region have emerged (Deacon and Stubbs 2007, Lendvai 2009). Furthermore following the publication of 'Humanity Divided: confronting inequality in developing countries'³, UNDP in Europe and Central Asia began a Dialogue on Inequalities⁴, which culminated in a Regional Human Development Report on Inequalities (UNDP, 2016). In addition, at the global level, the new ISSC World Social Sciences Report (2016) addressed the topic of social injustice, with Natalia Grigorieva concluding, in relation to Russia, that "Rising inequality, unrestrained by progressive taxation or other means of income redistribution, is leading to a significant social divide in Russian society that is likely to hinder the country's social and economic development".

Key Questions

The workshop will provide an opportunity for a systematic stock-taking of recent post-socialist social policy developments in an increasingly diverse world region. Among the key questions the organisers have posed to the paper givers are:

- How has increasing inequality within and between countries played out within the region?
- What is the evidence regarding increases or decreases in rates of poverty, particularly child poverty?
- What policy innovations have there been in the fields of pensions and child and family policy?
- What role has been played by trans-national actors (the IFIs, the EU, the UN, others) in influencing social policy change?
- What explains diverse welfare trajectories between countries and sub-regions?
- What is the current state of, and prospects for developing further, transnational, sub-regional, or regional lesson-learning in social policy?
- How are these societies preparing to face the SDG's agenda in regards to poverty, inequality and sustainability?

The Workshop Programme and Policy Issues to be Raised

The event is organised into five main panels focused upon the following sub-regions; The Russian Federation; Central Asia, the Baltic States, Central Europe, Southeast Europe. Each subregion has its own specificities. The abstracts of selected papers suggest that in addition to addressing the questions posed above, the following themes will also emerge as discussion points. Social policy developments in the Russian Federation are increasingly devolved to non-state actors just at the moment when regulations about how NGOs operate in Russia are being tightened. The scope for IO operation and influence will be shown to be very different, with little work being

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undertaken by UNICEF in Russia. EU influence in Central and Eastern Europe has reached a point where some of its social policies regarding the treatment of minorities are being challenged by governments. The ways in which state socialist welfare institutions continue to operate in transformed ways alongside new autonomous initiatives will be reported. All of these changes are leading to countries adopting diverse welfare trajectories in the region, some of which represent assemblages within one country of otherwise distinct country trajectories. The financial crisis is still weighing heavily on the region, with consequential charted and uncharted inequities. Under-the-table payments remain as one legacy of the communist period, making the exact cost of service provision to clients difficult to monitor and assess.

CROP plans to publish a book based on the papers presented at this workshop. It will be the first major review of social policy developments in the region for some decades.

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Notes

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- 3 <u>http://www.undp.org/content/undp/en/home/librarypage/</u> poverty-reduction/humanity-divided--confronting-inequalityin-developing-countries.html
- 4 <u>http://www.eurasia.undp.org/content/rbec/en/home/ourwork/</u> sustainable-development/development-planning-and-inclusivesustainable-growth/

necessarily reflect a consensus view of the Programme. They are distributed as worthy of consideration by those concerned to "mobilize critical research for preventing and eradicating poverty".

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